

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 563 By Senator White

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

SCHOOLS. Creates and provides for the Southeast Baton Rouge Community School Board and school system in East Baton Rouge Parish. (See Act)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Adds R.S. 17:67.2 providing for the redistribution of the MFP to other school systems.
2. Adds R.S. 17:67.3 regarding benefits of reemployed retirees and the Legacy Benefit Trust Fund for Retirees of East Baton Rouge Parish School System.
3. Adds R.S. 17:67.4 regarding payments to East Baton Rouge Parish Educational Facilities Improvement District.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

White

SB No. 563

Proposed law (R.S. 17:67):

1. Establishes a separate school system and school board for the Southeast Baton Rouge community (SEBR) in East Baton Rouge Parish (EBR). Specifies the geographic boundaries of the school system and provides that the SEBR Community School Board shall be composed of seven members elected from single-member districts. Requires that members be electors and meet the qualifications for office provided for in present law (R.S. 17:52(D) and (E)) for school boards. (R.S. 17:52(D) specifies that each member of a local school board shall be able to read and write, and R.S. 17:52(E) provides qualifications relative to age, residency, and domicile.)
2. Requires the interim school board, within 60 days of appointment, to develop and adopt a plan to divide the SEBR Community School System into nine single-member districts from each of which one member of the SEBR Community School Board will be elected. Provides that the districts shall be drawn in a manner such that each member of the SEBR Community School Board represents as nearly as possible the same number of persons, using population figures from the latest federal decennial census, and that the districts shall be effective in time for qualifying for the election established by law generally for school board members, which is 2014.
3. Provides that prior to the final adoption of the apportionment plan, the interim school board must order a public hearing on the proposed plan. The interim school board must publish the time and place of the hearing, a general summary and map of the proposed plan, and the times and places where copies of the proposed plan are available for public inspection in its official journal at least 20 days prior to such hearing.
4. Provides that the initial elected members of the board, each member of the SEBR Community School Board shall be elected at the time and place provided by law generally for local school board members. Provides that the members of the SEBR Community School Board elected in 2014 shall assume office as otherwise provided by law generally for local school board members, and such members and their successors in office shall serve for four-year concurrent terms. Provides also that vacancies on the board shall be filled as provided by law generally for local school boards.
5. Provides that the organization, powers, duties, functions, and responsibilities of the SEBR Community School Board and the board members' compensation and reimbursement for expenses shall be as provided by law generally for local school boards. Requires the school board to adopt rules, regulations, and procedures

consistent with law to effectuate proposed law and to administer the duties, functions, and responsibilities of the board.

6. Specifies that the SEBR Community School Board shall begin actual operation of providing for the education of students within its jurisdiction on July 1, 2013.
7. Provides that the interim school board shall begin such actual operation July 1, 2013, and shall exercise all powers granted to the SEBR Community School Board. Also provides that for purposes of proposed law, the SEBR Community School Board shall be deemed to have begun actual operation on such date.
8. Provides that on the date such actual operation begins and thereafter, all lands, buildings, and improvements, facilities, and other property having title vested in the public and subject to management, administration, and control by the EBR Parish School Board for public education purposes but located within the geographic boundaries of the SEBR Community School System or used to provide student transportation services to such facilities shall be managed, administered, and controlled by the SEBR Community School Board.
9. Requires the EBR Parish School System to transfer ownership of at least 50 school buses with a 60 passenger capacity that are of equal quality, age, and condition to those owned and operated by the EBR Parish School System to the SEBR Community School System. The number of school buses so transferred shall include a sufficient number of handicapped accessible buses to be used to transport the students needing special education services.
10. Requires the EBR Parish School System to provide extended school year services, through August 31, 2013, to public and non-public school students residing within the geographic boundaries of the SEBR Community School System who qualified to receive such services prior to June 30, 2013.
11. Provides that the EBR Parish School System and any taxing district created by such school system shall be the recipient of all sales and use taxes levied for school purposes collected within the geographic boundaries of the SEBR Community School System and remitted by the tax collector through June 30, 2013. Provides that as of July 1, 2013, the SEBR Community School System shall be the recipient of all sales and use tax levied for school purposes collected within the geographic boundaries of the SEBR Community School System. Further provides that sales and use tax collectors shall begin remitting all sales and use taxes levied for school purposes collected within such boundaries, including delinquent payments, to the SEBR Community School System on July 1, 2013.
12. Provides that the EBR Parish School System shall receive all ad valorem and property taxes levied for school purposes collected within the geographic boundaries of the SEBR Community School System and remitted by the tax collector through June 30, 2013. Provides that as of July 1, 2013, all ad valorem and property taxes levied for school purposes collected within the geographic boundaries of the SEBR Community School System, including delinquent payments, shall be remitted by the tax collector to the SEBR Community School System.
13. Provides that every application for funding made by the EBR Parish School System for funding for the 2013-2014 school year which has a due date on or before August 15, 2013, the EBR School System shall disaggregate the data for the SEBR Community School System and shall submit two applications, one for the EBR Parish School System and one for the SEBR Community School System.
14. Requires the president of BESE to appoint a committee of experts to make non-binding recommendations regarding the apportionment of financial obligations between the SEBR Community School System and the EBR Parish School System.
15. Provides that consistent with Article VIII of the La. Constitution of 1974, no state monies shall be used to discriminate or to have the effect of discriminating and failing to provide an equal educational opportunity for all students.

Proposed law (R.S. 17:67.1):

1. Creates an interim school board for the SEBR Community School System and provides that the interim board shall continue in existence until the taking of office of the initial elected members of the SEBR Community School Board.
2. Provides for the interim school board to be composed of seven members appointed at large. Requires that an interim school board member shall have attained the age of 18, be an elector, have resided in the state for the two years preceding appointment, have been actually domiciled within the geographic boundaries of the school system for at least one year preceding appointment, meet the qualifications provided in R.S. 17:52(D) relative to ability to read and write, and actually reside within the geographic boundaries of the school system. Specifies that membership on the interim school board shall not disqualify an otherwise eligible person from qualifying as a candidate for election as a member of the SEBR Community School Board.
3. Provides that all members of the interim school board are to be appointed by the governor within 30 days after the effective date of proposed law and will serve until the initial elected members of the SEBR Community School Board take office. Requires that members appointed by the governor be from a list of nominees. Provides for the state senators from districts 6 and 16 to nominate three qualified persons and for the representatives from districts 65, 66, 68, and 69 to each nominate two qualified persons for each position to be appointed by the governor.
4. Provides that a vacancy on the interim school board will be filled in the same manner as the original appointment.
5. Provides that the interim school board constitutes a body corporate in law and states that the organization of the interim school board as well as the board's powers, duties, functions, and responsibilities shall be as provided by law generally for local school boards.
6. Requires the interim school board to adopt rules, regulations, and procedures consistent with law to effectuate proposed law and to administer the duties, functions, and responsibilities of the interim board.
7. Provides that the interim school board and its members are subject to the state's open meetings and public records laws.
8. Specifies that all authority granted to the interim school board by proposed law shall expire when the initial elected members of the SEBR Community School Board take office. Permits the school board, by formal action, to continue the interim school board as an advisory body on matters previously under the jurisdiction of the interim board.
9. Provides that the EBR Parish School Board shall:
 - (a) Work cooperatively and collaboratively with the interim and elected SEBR school boards to effect the transfer of the students, buildings and other facilities, property, instructional materials, buses, and all other assets related to the schools located within the prescribed geographic boundaries of the new school system in an efficient and expeditious manner.
 - (b) Provide the SEBR interim school board with immediate and complete access to:
 - (1) All school buildings and facilities associated with the schools located within the boundaries of the SEBR Community School System. Such access shall include making the school buildings and facilities to be transferred available, free of charge, to the interim and elected school boards for purposes of conducting board and community meetings and other functions and activities related to the operation of the new school system.

- (2) All student records and any other student related files associated with students enrolled in the schools to be transferred to the SEBR Community School System.
 - (3) All financial records associated with the schools to be transferred, including those related to building maintenance, taxes, insurance, and indebtedness.
10. Provides that the EBR Parish School Board shall not:
- (a) Interfere, or impede in any way, with the processes to transfer the students, buildings and other facilities, property, instructional materials and equipment, buses, and all other assets related to the schools located within the geographical boundaries of the SEBR Community School System.
 - (b) Sell, transfer, or otherwise remove any asset or thing of value, movable or immovable, corporeal or incorporeal, attributable to the schools to be transferred to the SEBR school system prior to such transfer.
 - (c) Incur, transfer, or assign any debt or other responsibility or obligation to schools to be transferred to the SEBR school system that is not properly attributable to such schools.

Proposed law (R.S. 17:58.2(I)):

1. Provides that in the event the SEBR Community School Board begins the actual operation of educating students within its jurisdiction as a separate school system, the EBR Parish School Board shall develop a plan to divide the parish, excluding the area of the SEBR Community School System, into single-member districts from each of which one board member shall be elected. States that such districts shall be drawn with as equal population as possible, using population figures from the most recent federal decennial census.
2. Specifies that prior to the final adoption of such plan, the EBR Parish School Board shall order a public hearing on the proposed plan and must publish the time and place of the hearing, a general summary and map of the proposed plan, and the times and places where copies of the proposed plan are available for public inspection in a newspaper published within the parish of East Baton Rouge, with parishwide circulation, at least 20 days prior to the date of such hearing.
3. Provides that each elected member of the EBR Parish School Board holding office on the date the SEBR Community School Board begins the actual operation of educating students within its jurisdiction as a separate school system shall serve the remainder of the term of office for which elected. Provides that a vacancy occurring during such term of office will be filled in accordance with law from districts in effect when filled.
4. Provides that at the next date on which a regular election for the election of members of the EBR Parish School Board would be held following the date the SEBR Community School Board begins the actual operation of educating students as a separate school system, the members of the EBR Parish School Board shall be elected from single-member districts adopted in accordance with proposed law. Provides that the members so elected and their successors in office will serve four-year concurrent terms.

Provides that any high school student residing within the geographic boundaries of the SEBR Community School System or the EBR Parish School System may elect to remain enrolled in the high school he was attending on the effective date of the Act, until such time as the student graduates from high school. Further provides that such student shall be included in the membership count for the school system in which he is enrolled for all purposes, including state funding through the Minimum Foundation Program formula.

Proposed law: (R.S. 17:67.2)

Requires BESE to ensure that the minimum foundation program allocation to school systems not be negatively impacted by the creation of the Southeast Baton Rouge Community School District, beginning in Fiscal Year 2013-14 and continuing through the 2017-18 Fiscal Year, by identifying districts on which there is a negative impact and determine the amount of the negative impact. Requires BESE to withhold the total of the amounts of the negative impact on all districts from the total minimum foundation program allocation to the Southeast Baton Rouge Community School District and transfer those funds to the impacted school districts.

Proposed law (R.S. 17:67.3):

- (1) Requires the EBR School System to annually provide to the SEBR Community School System an itemization of all postemployment benefits to be paid by the East Baton Rouge Parish School Board for the benefit of every individual hired by the SEBR Community School System as a full time employee. SEBR Community School System shall reimburse EBR Parish School System at least quarterly for all post employment benefits for any employee hired by SEBR Community School System as a full time employee until all post employment benefits to which said individual is entitled have been paid.
- (2) Provides for creation of a trust to be known as the "Legacy Benefit Trust for Retirees of the East Baton Rouge Parish School System" and that the SEBR Community School System, within 12 months of beginning operation, deposit into the trust an initial sum of \$2,500,000. Requires that on or before July 1, 2012, the president of the BESE appoint a study committee to analyze the impact of separation of the southeast community school system on post employment benefits owed to individuals who retired from the East Baton Rouge Parish School System prior to operation of the southeast community school system. Requires the study committee to determine the proportional amount of post employment benefits which the SEBR Community School District shall be required to deposit into the trust and determine the schedule for these payments. Authorizes the study committee to modify the payment schedule until such time as SEBRouge Community School District makes its final payment.
- (3) Provides that the SEBR Community School System shall not be required to make any additional payments to the Legacy Benefit Trust for Retirees of the EBR Parish School System in the event it is determined by an actuarial study that the funds on deposit in the Legacy Benefit Trust for Retirees of the EBR Parish School System are sufficient to pay the costs of the legacy benefits due to individuals who retired from the EBR Parish School System prior to July 1, 2013.

Proposed law (R.S. 17:67.4):

- (1) Requires the EBR Parish Facilities Improvement District provide to the Southeast Baton Rouge Community School Board on or before July 1, 2013, a schedule of values for any construction completed within the boundaries of the SEBR Community School System with the proceeds of Qualified School Construction Bonds issued prior to July 1, 2012, an accounting of payments made and to be made through June 30, 2012 on said bonds, and a payment schedule showing the unpaid principal and interest due for said projects.

Effective if and when the constitutional amendment proposed by Senate Bill No. 299 of the 2012 R.S., granting the SEBR Community School System certain authority granted to parishes relative to financing schools, is adopted and becomes effective, or the constitutional amendment proposed by Senate Bill No. 305 of the 2012 R.S., removing the geographic limitations on the legislature's authority to establish local school systems, is adopted and becomes effective.

(Adds R.S. 17:58.2(I), 67, and 67.1 through 61.4)

Thomas L. Tyler
Deputy Chief of Staff